

AGN. NO.

MOTION BY SUPERVISOR MARK RIDLEY-THOMAS

September 3, 2019

Promoting Timely Access to Funds for Young People in the County's Care

Adverse outcomes are well documented for system-involved youth, particularly those with child welfare involvement. Research studies illustrate dismal outcomes in education, career attainment, employment, health, and housing stability. However, these youth are often very resilient and can thrive with appropriate and timely resources.

The Independent Living Program (ILP), mandated by Federal law for eligible children in the child welfare system, is one such resource. In Los Angeles County (County), nearly 5,600 of the 34,000 children involved with the Department of Children and Family Services (DCFS) are eligible for ILP services. Within the County, the ILP provides financial assistance and services to eligible current and former transition-age youth (TAY) who are under the supervision of DCFS or the Probation Department, and is designed to assist youth 16 through 20 years of age towards self-sufficiency. Payments are made to support young adults in the areas of housing, employment, and education. Eligible expenses include, but are not limited to, those associated with high school graduation, work uniforms, live scan screenings, dormitory and apartment move-in costs, college travel, textbooks, and automobile insurance.

In FY 2018-19, DCFS paid \$3.62M in payments, processing 5,500 transactions, to ILP-eligible TAY. This includes a significant number of youth under the age of 18.

MOTION

SOLIS _____

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Payments are currently made by sending warrants (checks). This process, which includes the submission and approval of all the required documentation, can take several weeks to complete. For youth in foster care, this delay can present several challenges. The youth may accrue late fees while waiting to receive the warrants or overdraw their accounts, resulting in additional fees. Those who are unbanked (i.e., young people without traditional bank accounts) must use a portion of their funds to pay steep check cashing fees. Furthermore, many TAY are transient, which only adds to the challenges of receiving funds in a timely fashion.

To address the systemic/structural need of unbanked TAY, the Board of Supervisors (Board) approved a motion ([Ridley-Thomas/Solis](#)) on August 14, 2018 to explore third-party-administered bank accounts. Specifically the motion sought options for the County to develop a Children's Savings Account (CSA) program for children and youth who are involved in one or more County systems. This would lay the foundation to allow children with system involvement to open bank accounts without an adult guardian or caretaker. As these options are explored, a possible interim solution is the electronic transfer of funds.

In April 2018, the Board approved a policy that required the electronic transfer of funds to contractors, vendors, and other payees (e.g., recipients of aid benefits and resource parents for children in foster care). This benefit has improved timeliness of payment delivery, increased efficiency, minimized administration costs, and reduced fraud that could result from stolen and altered warrants.

A similar program can and should be developed for ILP-eligible TAY. The financial institutions under contract with the Treasurer and Tax Collector (TTC) offer various electronic payment programs as an alternative to paper checks. For example, a prepaid card offers a convenient way for ILP-eligible TAY to receive their ILP payments. The funds would be pre-loaded onto a prepaid card in the amount approved by DCFS, and once loaded onto the card, those funds would be made available immediately and would be accessible 24 hours a day, 7 days a week.

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I THEREFORE MOVE that the Board of Supervisors:

1. Direct the Acting Treasurer and Tax Collector (TTC) and Acting Auditor-Controller, in collaboration with the Chief Executive Officer (CEO), Director of the Department of Children and Family Services (DCFS), and the Chief Probation Officer, to identify the most efficient and cost effective manner to transfer funds electronically to eligible youth in the Independent Living Program (ILP) and to provide a written report back in 60 days. The report should address the following:
 - a. a review of available prepaid debit cards and mobile tech platform options, including those offered by financial institutions under contract with the TTC, that facilitate the most efficient and accessible delivery of payments, while minimizing consumer fees;
 - b. an overview/outline of the required intra- and inter- departmental processes that should be streamlined to minimize the time to review, approve, and allocate ILP funding requests;
 - c. projected initial costs, ongoing costs, and/or cost savings from implementing the program;
 - d. internal controls and metrics that can be used to track, monitor, and evaluate the efficacy of the program; and
 - e. recommended actions and a projected timeline to implement this type of program.

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(DM/EW)

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CATEGORIES: (Please check those that apply)

- 1. Child Welfare
- 2. Community and Youth Empowerment
- 3. County Services
- 4. Economic Justice
- 5. Economic and Workforce Development
- 6. Education
- 7. Environment
- 8. Fiscal
- 9. Governance
- 10. Health
- 11. Homelessness
- 12. Immigration
- 13. Public Safety
- 14. Social Justice and Human Rights
- 15. Technology and Data
- 16. Arts, Culture, and the Creative Economy
- 17. Legislation
- 18. Parks and Open Space
- 19. Planning/Land Use
- 20. Transportation
- 21. Veterans

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